Alcoholic Beverage Regulation Administration



Entertainment Endorsement Fact Sheet

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D.C. Law 15-187, the "Omnibus Alcoholic Beverage Amendment Act of 2004", created the entertainment endorsement to streamline the licensing process and make clear the Alcoholic Beverage Control Board's explicit approval of various aspects of a licensee's format. The following are selected highlights from the D.C. Official Code and the D.C. Municipal Regulations pertaining to the requirements of an entertainment endorsement:

- "Entertainment" is defined as live music or any other live performance by an actual person, including live bands, karaoke, comedy shows, poetry readings, and disc jockeys. The term "entertainment" does not include the operation of a jukebox, television, radio, or other prerecorded music, or nude performances. (D.C. Code § 25-101(21A))
- "Cover charge" is defined as a fee required by an establishment to be paid by patrons for admission that is not directly applied to the purchase of food or drink. (23 DCMR § 1002.1)
- Class C or D Restaurant or Hotel licensees <u>must</u> apply for and hold an entertainment endorsement to have entertainment, dancing, or charge a cover. (23 DCMR § 1000.1)
- Class C or D Tavern licensees <u>must</u> apply for and hold an entertainment endorsement to have entertainment, charge a cover, or have a dance area larger than 140 square feet. A tavern with a dance area less than or equal to 140 square feet <u>does not</u> need to apply for and hold an entertainment endorsement. (23 DCMR § 1000)
- Please be advised that an entertainment endorsement will not permit you to provide any format of entertainment that has been prohibited by ABC Board Order or voluntary agreement.
- Class C or D Nightclub licensees do not need to apply for and hold an entertainment endorsement to have entertainment, dancing, or charge a cover. (23 DCMR § 1000.3)
- The entertainment endorsement will be placed on the establishment's ABC license and will indicate the establishment's hours of operation and which type(s) of

entertainment, dancing, or charging a cover are permitted. (23 DCMR § 1000.5)

- An entertainment endorsement applicant will be required to specify on the application the hours of all entertainment, including live music, starting after 6:00 p.m. (23 DCMR § 1001.4)
- The annual fee for an entertainment endorsement will be 20% of an establishment's base license fee. (23 DCMR § 1001.7)
- An entertainment endorsement will not be issued to a Class C or D Restaurant or Hotel licensee who is not in compliance with the minimum food sales requirement. (23 DCMR § 100.4)
- The minimum food sales requirement for each license class is as follows:
 - Class C Restaurant or Hotel -- Annual food sales of at least \$2,000 per occupant (as determined by the establishment's <u>Board-approved</u> Certificate of Occupancy) or the establishment's sales of food accounts for 45% of the establishment's gross annual receipts. (D.C. Code §§ 25-101(43) and 25-113)
 - Class D Restaurant or Hotel -- Annual food sales of at least \$1,500 per occupant (as determined by the establishment's <u>Board-approved</u> Certificate of Occupancy) or the establishment's sales of food accounts for 45% of the establishment's gross annual receipts. (D.C. Code §§ 25-101(43) and 25-113)
- An application for an entertainment endorsement can be filed at the same time as an application for a new license for a new business – for Class C or D Restaurants, Hotels, or Taverns. The Board is required to provide notice to the public of both the new license application and the entertainment endorsement application at the same time through the notice requirements of D.C. Code §§ 25-421 through 25-423. (23 DCMR § 1001.2)
- The Board will determine whether an application for a new or amended entertainment endorsement filed by a licensee under an existing license, class C or D, constitutes a substantial change. The Board will provide notice to the public of

entertainment endorsement applications that are determined by the Board to be a substantial change. A written protest can be filed against an entertainment endorsement application that is determined by the Board to be a substantial change. (23 DCMR § 1001.3)

- An amendment to an entertainment endorsement will not be required for changes to an establishment's entertainment or dancing format if: (1) the licensee's entertainment endorsement is approved for entertainment or dancing; and (2) the change is not restricted by Board order or cooperative/voluntary agreement. (23 DCMR § 1001.6)
- An entertainment endorsement application that only requests approval from the Board to charge a cover charge will not be considered a substantial change. A written protest cannot be filed against an entertainment endorsement application that only requests approval from the Board to charge a cover. (23 DCMR § 1002.2)
- Class C or D Restaurants, Hotels, or Taverns will be eligible to have their license automatically converted to include an entertainment endorsement for the entertainment, cover charge, and dancing activities <u>previously approved by the Board</u>. Automatically converted establishments will be required to file an entertainment endorsement application, but these types of applications will not be considered a substantial change by the Board and cannot be protested by the public. All relevant fees will continue to apply. (23 DCMR § 1001.5)
- Class C or D licensees with a Certificate of Occupancy over 400 persons who are applying to charge a cover will also need to submit with their application: 1) a Public Hall Certificate of Occupancy from the Zoning Administrator; and 2) an Entertainment Endorsement for a Public Hall from the Department of Consumer and Regulatory Affairs.

For more information about the entertainment endorsement, please contact the Alcoholic Beverage Regulation Administration, Licensing Division, at (202)442-4423, or e-mail Laura.Byrd@dc.gov, or visit our web site at http://abra.dc.gov for a copy of the entertainment endorsement application, instructions, and fee schedule.

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